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SURFACE TRANSPORTATION BOARD

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

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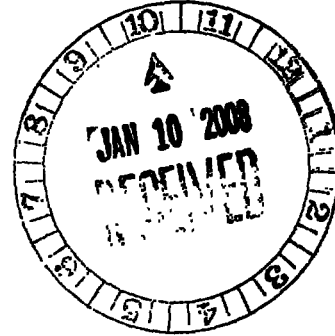
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January 9, 2007

Via Overnight (Next Business Day) Delivery

Ms. Anne K. Quinlan, Esq.
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001
Attn: Office of Recordations



Dear Acting Secretary Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are an original and two (2) copies of a Memorandum of Loan and Security Agreement, dated as of December 20, 2007, a primary document as defined in the Board's Rules for the Recordation of Documents, and an original and two (2) copies of the following secondary document related thereto: Memorandum of Assignment of Rents and Lessor's Interest in Leases, dated as of December 20, 2007.

The names and addresses of the parties to the enclosed documents are:

Primary: Memorandum of Loan and Security Agreement

Debtor:

ALF P-III, Inc.
70 West Madison Street
Suite 2080
Chicago, Illinois 60602

Secured Party:

Fifth Third Bank (Chicago)
222 South Riverside Plaza
32nd Floor
Chicago, Illinois 60606

FLETCHER & SIPPEL LLC

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Secondary: Memorandum of Assignment of Rents and
Lessor's Interest in Leases

Assignor:	ALF P-III, Inc. 70 West Madison Street Suite 2080 Chicago, Illinois 60602
Assignee:	Fifth Third Bank (Chicago) 222 South Riverside Plaza 32 nd Floor Chicago, Illinois 60606

A description of the railroad equipment is included as Exhibit A to each of the documents. Included in the property covered by the aforesaid Loan and Security Agreement are rolling stock and equipment intended for use and related to interstate commerce, and includes rolling stock or equipment acquired by Debtors or its or their successors **after the date** of the Loan and Security Agreement.

Also enclosed is a check in the amount of \$70.00 payable to the order of the Surface Transportation Board covering the required recordation fees.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Respectfully submitted,



Myles L. Tobin
Attorney for Secured Party

Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF ASSIGNMENT OF RENTS AND LESSOR'S INTEREST IN
LEASES**

This Memorandum of Assignment of Rents and Lessor's Interest in Leases ("Memorandum") made and entered into as of December 20, 2007, by ALF P-III, Inc. ("Assignor") to Fifth Third Bank (Chicago) ("Assignee").

WITNESSETH:

The Assignor entered into that certain Assignment of Rents and Lessor's Interest in Leases (the "Assignment Agreement") dated as of the date hereof.

Under the Assignment Agreement, the Assignor assigned its right, title and interest in and to the rents, issues and profit of the Rolling Stock, including all of Assignor's right, title and interest in any lease. The Rolling Stock is described in Exhibit A hereto. The leases relating to the Rolling Stock are identified in Exhibit B hereto.

The Assignor wishes to show for the public record the existence of the aforementioned Assignment Agreement, and accordingly the Assignor has caused this Memorandum to be executed by its respective duly authorized officers, as of the date first above written.

IN WITNESS WHEREOF, the undersigned has caused this Memorandum to be executed by a duly authorized officer as of the day and year first above written.

ALF P-III, INC.By: Name: Vincent KolberTitle: Sole Director

EXHIBIT A

ROLLING STOCK:

RAIL TEX, INC. LOCOMOTIVES (LEASE NO. 0104028-001, EXPIRING DECEMBER 31, 2011)

- | | | |
|----|-------------------|-----------|
| 1 | EMD GP38-2 Number | CEFR 3880 |
| 2 | EMD GP38-2 Number | CEFR 3881 |
| 3 | EMD GP38-2 Number | CEFR 3882 |
| 4 | EMD GP38-2 Number | CEFR 3883 |
| 5 | EMD GP38-2 Number | CEFR 3884 |
| 6 | EMD GP38-2 Number | CEFR 3885 |
| 7 | EMD GP38-2 Number | CEFR 3886 |
| 8 | EMD GP38-2 Number | CEFR 3887 |
| 9 | EMD GP38-2 Number | CEFR 3888 |
| 10 | EMD GP38-2 Number | CEFR 3889 |

RAIL TEX, INC. ROLLING STOCK (LEASE NO. 0103025-001, EXPIRING JANUARY 31, 2011)

- | | | |
|----|----------------|------|
| 1 | GP-9 Number | 1463 |
| 2 | GP-9 Number | 1483 |
| 3 | GP-9 Number | 1484 |
| 4 | GP-38 Number | 3869 |
| 5 | GP-10 Number | 1001 |
| 6 | GP-10 Number | 1002 |
| 7 | GP-38-2 Number | 3865 |
| 8 | GP-38-2 Number | 3866 |
| 9 | GP-38-2 Number | 3867 |
| 10 | GP-38-2 Number | 3868 |
| 11 | GP-38 Number | 3890 |
| 12 | GP-38 Number | 3891 |
| 13 | GP-20 Number | 2037 |
| 14 | GP-20 Number | 2036 |


EXHIBIT B

LIST OF LEASES

1. Equipment Lease No. 0103025-001 between Merrill Lynch Capital (Lessor) and RailTex, Inc. (Lessee) dated January 9, 2004.
2. Equipment Lease No. 0104028-001 between Merrill Lynch Capital (Lessor) and RailTex, Inc. (Lessee) dated December 29, 2004.

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

On this 20th day of December, 2007, before me personally appeared Vincent Kolber, to me personally known, who being duly sworn, stated that he is VP of ALF P-III, Inc. of ALF P-III, Inc., that said instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My Commission Expires:

2/26/11

